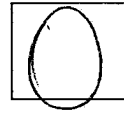


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01392A
Oak Creek Water Co., No 1
90 Oak Creek Blvd
Sedona, AZ 86336



RECEIVED

MAR 05 2007

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
----	----	------

FOR COMMISSION USE

ANN 04	06
--------	----

PROCESSED BY:

3-507 RA

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Oak Creek Water Co. No. 1</u>		
Mailing Address <u>90 Oak Creek Blvd.</u>		
<small>(Street)</small>		
<u>Sedona, AZ</u>	<u>86336</u>	
<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>(928) 282-3404</u>	<u>(928) 282-3404</u>	<u>(928) 300-3835</u>
<small>Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Pager/Cell No. (Include Area Code)</small>
Email Address <u>ocw @ swiftwireless.com</u>		
Local Office Mailing Address _____		
<small>(Street)</small>		
_____	_____	_____
<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<small>Local Office Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Pager/Cell No. (Include Area Code)</small>
Email Address _____		

MANAGEMENT INFORMATION

Management Contact:	<u>Dick Sitts</u>	<u>president</u>
	<small>(Name)</small>	<small>(Title)</small>
<u>45 Sycamore Canyon Rd., Sedona, AZ 86336</u>		
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small> <small>(Zip)</small>
<u>(928) 282-3404</u>	<u>(928) 282-3404</u>	
<small>Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Pager/Cell No. (Include Area Code)</small>
Email Address <u>ocw @ swiftwireless.com</u>		
On Site Manager:	<u>Steve Yerich</u>	
	<small>(Name)</small>	
<u>18 Tanager Lane, Sedona, AZ 86336</u>		
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small> <small>(Zip)</small>
<u>(928) 282-3404</u>	<u>(928) 282-3404</u>	<u>(928) 300-3835</u>
<small>Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Pager/Cell No. (Include Area Code)</small>
Email Address <u>ocw @ swiftwireless.com</u>		

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>Ronald N. Rovey</u>			
(Name)			
<u>1785 W. Highway 89A, Ste 3-I, Sedona, AZ 86336</u>			
(Street)	(City)	(State)	(Zip)
<u>(928) 282-1155</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>same as Statutory Agent</u>			
(Name)			
<u></u>			
(Street)	(City)	(State)	(Zip)
<u></u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	-	-	-
302	Franchises	4,277	1,354	2,923
303	Land and Land Rights	15,812	-	15,812
304	Structures and Improvements	274,646	86,403	188,243
307	Wells and Springs	101,588	32,433	69,155
311	Pumping Equipment	51,819	47,002	4,817
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	160,246	128,341	31,905
331	Transmission and Distribution Mains	568,888	394,311	174,577
333	Services	15,352	10,914	4,438
334	Meters and Meter Installations	30,574	32,060	(1,486)
335	Hydrants	5,759	4,934	825
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	4,422	3,670	752
341	Transportation Equipment	25,636	25,636	-
343	Tools, Shop and Garage Equipment	45,856	45,496	360
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	-	-	-
346	Communication Equipment	33,445	27,404	6,041
347	Miscellaneous Equipment	1,493	1,493	-
348	Other Tangible Plant	-	-	-
	TOTALS	1,339,814	841,451	498,363

This amount goes on the Balance Sheet Acct. No. 108



COMPANY NAME: Oak Creek Water Co. No. 1

CALCULATION OF DEPRECIATION EXPENSES FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization Costs	-		-
302	Franchises	4,277	0.00%	-
303	Land and Land Rights	15,812	0.00%	-
304	Structures and Improvements	274,646	3.33%	9,146
307	Wells and Springs	101,588	3.33%	3,383
311	Pumping Equipment	51,819	12.50%	6,477
320	Water Treatment Equipment	-		-
330	Distribution Reservoirs and Standpipes	160,246	2.22%	3,557
331	Transmission and Distribution Mains	568,888	2.00%	11,378
333	Services	15,352	3.33%	511
334	Meters and Meter Installations	30,574	8.33%	2,547
335	Hydrants	5,759	2.00%	115
336	Backflow Prevention Devices	-		-
339	Other Plant and Misc. Equipment	-		-
340	Office Furniture and Equipment	4,422	6.67%	295
341	Transportation Equipment	25,636	20.00%	-
343	Tools, Shop and Garage Equipment	45,856	5.00%	23
344	Laboratory Equipment	-		-
345	Power Operated Equipment	-		-
346	Communication Equipment	33,445	10.00%	3,345
347	Miscellaneous Equipment	1,493	10.00%	-
348	Other Tangible Equipment	-		-
	TOTALS	1,339,814		40,777

This amount goes on Comaprative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME: Oak Creek Water Co. No. 1

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 75	\$ 75
134	Working Funds	76,594	14,275
135	Temporary Cash Investments	326,370	352,807
141	Customer Accounts Receivable	16,519	16,581
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	8,582	8,582
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	10,549	26,100
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 438,689	\$ 418,420
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,285,532	\$ 1,339,814
103	Property Held for Future Use		
105	Construction Work in Progress	-	-
108	Accumulated Depreciation - Utility Plant	(800,673)	(841,451)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 484,859	\$ 498,363
	TOTAL ASSETS	\$ 923,548	\$ 916,783

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,441	1,281
237	Accrued Taxes	8,525	9,193
241	Miscellaneous Current and Accrued Liabilities	150	210
	TOTAL CURRENT LIABILITIES	\$ 10,116	\$ 10,684
	LONG-TERM DEBT (Over 12 Months)		
224	Long Term Note and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction	217,953	217,888
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	355,130	355,130
272	Less: Amortization of Contributions	(292,971)	(304,797)
281	Accumulated Deferred Income Tax		
	Total Deferred Credits	\$ 280,112	\$ 268,221
	Total Liabilities	\$ 290,228	\$ 278,905
201	Common Stock Issued	\$ -	\$ -
211	Paid in Capital in Excess of Par Value	17,605	17,605
215	Retained Earnings	615,715	620,273
218	Property Capital (Sole Props and Partnerships)	-	-
	Total Capital	\$ 633,320	\$ 637,878
	TOTAL LIABILITIES AND CAPITAL	\$ 923,548	\$ 916,783

COMPANY NAME: Oak Creek Water Co. No. 1

COMPARATIVE STATEMENT OF INCOME AND EXPENSES

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 252,320	\$ 265,367
460	Unmetered Water Revenue		
474	Other Water Revenues	6,355	5,984
	TOTAL REVENUES	\$ 258,675	\$ 271,351
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 110,796	\$ 122,460
610	Purchased Water		
615	Purchased Power	34,893	42,810
618	Chemicals	-	-
620	Repairs and Maintenance	12,574	25,549
621	Office Supplies and Expenses	8,458	9,262
630	Outside Services	23,015	7,116
635	Water Testing	3,763	2,481
641	Rents	50	75
650	Transportation Expenses	4,151	5,135
657	Insurance - General Liability	3,657	5,040
659	Insurance - Health and Life	7,747	9,418
666	Regulatory Commission Expense - Rate Case	-	-
675	Miscellaneous Expense	3,142	3,001
403	Depreciation Expense	38,632	40,777
408	Taxes Other Than Income	8,509	9,489
408.11	Property Taxes	11,304	12,418
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 272,835	\$ 295,029
	OTHER INCOME/EXPENSES		
419	Interest and Dividend Income	\$ 9,301	\$ 16,501
421	Non-Utility Income	12,037	11,826
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(64)	(91)
	Total Other Income/Expenses	\$ 21,274	\$ 28,236
	Net Income/Loss	\$ 7,114	\$ 4,558

COMPANY NAME	Oak Creek Water Co. No.1
---------------------	--------------------------

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ -0-
--	--------

Meter Deposits Refunded During the Test Year	\$ -0-
--	--------

COMPANY NAME	Oak Creek Water Co. No. 1
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-603919	30	130	125	8" - 7"	3"	1964
55-603920	30	80	600	8" - 7"	3"	1978
55-562092	75	320	590	10"	4"	1998

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	47	
10	2		
10	2		
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
150,000	1	5,000	1
84,000	1	1,600	1
60,000	2	1,500	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Oak Creek Water Co. No. 1
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	GAV	650
3		
4	PVC	6,104
5		
6	PVC	42,913
8	PVC	3,190
10		
12		
1 1/4	GAV	700
2	PVC	820
8	ductile iron	303

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	635
1	18
1 1/2	18
2	8
Comp. 3	
Turbo 3	
Comp. 4	10
Tubo 4	
Comp. 6	2
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

Office/Storage	76" x 26'	Pump House	6' x 8'
Well House	6' x 8'	Metal Storage Shed	8' x 10'
Pump House	16' x 10'		
Pump House	16' x 8'		

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	Oak Creek Water Co. No. 1
Name of System	ADEQ Public Water System Number (if applicable)

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	695	6,010	6,760	
FEBRUARY	690	5,295	5,882	
MARCH	694	5,579	6,079	
APRIL	690	6,582	7,232	
MAY	692	10,420	11,480	
JUNE	693	10,219	11,214	
JULY	694	8,987	10,052	
AUGUST	697	9,753	10,875	
SEPTEMBER	692	7,888	8,760	
OCTOBER	696	7,672	8,458	
NOVEMBER	696	7,358	8,073	
DECEMBER	694	5,351	5,852	
TOTALS →		91,114	100,717	

What is the level of arsenic for each well on your system? _____ mg/l

(If more than one well, please list each separately.) June 2006 samples

Well #2 = .0089, Well #3 = .0087, Well #4 = .0084

If system has fire hydrants, what is the fire flow requirement? 1,000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

() Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (xx) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (xx) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Oak Creek Water Co. No.1 **YEAR ENDING 12/31/2006**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 11,474.59

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

6784

OAK CREEK WATER CO., NO. 1

90 OAK CREEK BLVD.
SEDONA, AZ 86336
(928) 282-3404

BANK OF AMERICA, ARIZONA

91-170/1221

10/23/2006

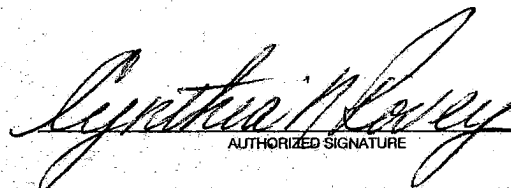
PAY TO THE ORDER OF Yavapai Cnty Treasurer

\$ **5,659.48

Five Thousand Six Hundred Fifty-Nine and 48/100*****

DOLLARS

Yavapai Cnty Treasurer
1015 Fair Street
Prescott, AZ 86305


AUTHORIZED SIGNATURE

MEMO parcels 913-70-976, 918-70-970

⑈006784⑈ ⑆122101706⑆ 000252410980⑈

⑈0000565948⑈

10262006 1015
400 0004

CREDITED TO PAYEE A/C
111901331K FAX REX
JPMORGAN CHASE BANK NA
FT WORTH, TX

10262006
111901331

5140232339

3550104545

Security features. Details on back.



OAK CREEK WATER CO., NO. 1

90 OAK CREEK BLVD.
SEDONA, AZ 86336
(928) 282-3404

BANK OF AMERICA, ARIZONA

91-170/1221

4/18/2006

2DOC

PAY TO THE ORDER OF Yavapai Cnty Treasurer

\$**5,815.11

Five Thousand Eight Hundred Fifteen and 11/100***** DOLLARS

Yavapai Cnty Treasurer
1015 Fair Street
Prescott, AZ 86305

Cynthia M. Roney
AUTHORIZED SIGNATURE

MEMO parcels 918-70-976, 918-70-970

⑈006620⑈ ⑆122101706⑆ 000252410980⑈

⑈000058151⑈

Security features on this document include:
Sensative Paper, Perforated Edges, Color Shifting Ink, and a Original Document Bureau and by the way, it's a security feature.

918-70-976 1015 CREDITED TO PRIME AEG
301 0032 009 X111901331< PAX ALIX
JPMORGAN CHASE BANK NA
FT WORTH, TX

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

MAR 15 2007

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Dick Sitts</u>
COMPANY NAME
<u>Oak Creek Water Co. No.1</u>

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL

(928) 282-3404

TELEPHONE NUMBER

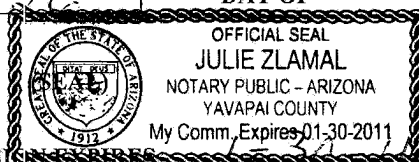
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

26

DAY OF



MY COMMISSION EXPIRES

COUNTY NAME

YAVAPAI

MONTH

Feb 26

2007



SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Oak Creek Water Co. No. 1

YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>-0-</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u>-0-</u>

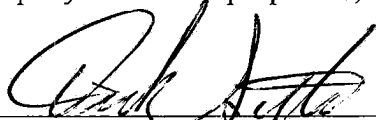
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

2-26-07

DATE

DICK SITAS

PRINTED NAME

PRESIDENT

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAR 05 2007

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
Yavapai
NAME (OWNER OR OFFICIAL) TITLE
Dick Sitts - President
COMPANY NAME
Oak Creek Water Company No.1

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:


Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 270,762.45

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 24,752.49

IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(928) 282-3404
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

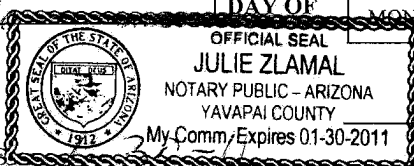
THIS

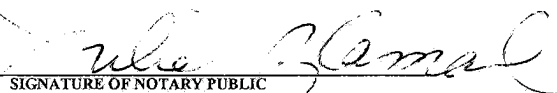
26

DAY OF

COUNTY NAME	YAVAPAI	
MONTH	Feb	2007

(SEAL)




SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

MAR 05 2007

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Dick Sitts	TITLE President
COMPANY NAME Oak Creek Water Company No 1	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2006
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

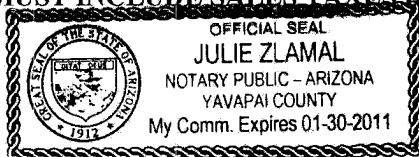
SWORN STATEMENT

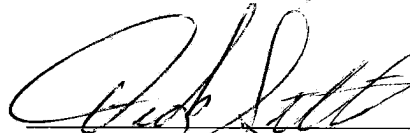
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 184,922.33
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THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 15,489.19
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**




SIGNATURE OF OWNER OR OFFICIAL

928-282-5739 / 928-282-3404
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

26

DAY OF

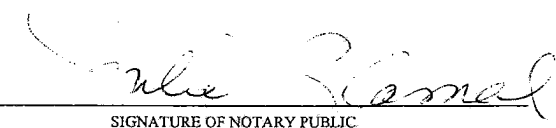
NOTARY PUBLIC NAME JULIE ZLAMAL	
COUNTY NAME YAVAPAI	
MONTH Feb	2007

(SEAL)

MY COMMISSION EXPIRES

1-30-11

X


SIGNATURE OF NOTARY PUBLIC